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geles, I heard people talking about the principles that guide these initiatives: personal responsibility, opportunity, ownership, independence, dignity.

I can already hear some of the critics out there. They'll say, "Well, you've proposed all this before." That's true. They're right. But now it's time to act on these proposals, time to try something new. My first order of business now that I am back in Washington is to build a bipartisan effort in support of immediate action on this agenda.

So far I have spoken about what Government can do. Now let me talk about what society must do, because Government alone cannot create the scale and energy needed to transform the lives of people in need. All over America, people have already found the answers for themselves, and they're taking action to make things better. You can find them everywhere, even in south central L.A. I met a man there named Lou Dantzer, a bear of a man who runs the Challengers Boys and Girls Club. He started it out in the back of an old pickup truck with a group of kids who wanted to get

off the streets. And today, across from a burned-out block in south central L.A., the Boys and Girls Club stands unscarred. No, it wasn't a miracle that the building was left standing. The real miracle is what goes on inside. It's a place kids can go to get the concern and the love they need, a place where people care.

That's why guaranteeing a hopeful future for the children of our cities is about a lot more than rebuilding burned-out buildings. It's about building a new American community.

This I know: We have the strength and spirit in our Government, in our communities, and in ourselves to transform America into the Nation we have dreamed of for generations.

Thank you for listening. And may God bless the United States of America.

Note: The President spoke at 9:03 a.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio.

Message to the Senate Returning Without Approval the Congressional Campaign Spending Limit and Election Reform Act of 1992

May 9, 1992

To the Senate of the United States:

I am returning herewith without my approval S. 3, the "Congressional Campaign Spending Limit and Election Reform Act of 1992." The current campaign finance system is seriously flawed. For 3 years I have called on the Congress to overhaul our campaign finance system in order to reduce the influence of special interests, to restore the influence of individuals and political parties, and to reduce the unfair advantages of incumbency. S. 3 would not accomplish any of these objectives. In addition to perpetuating the corrupting influence of special interests and the imbalance between challengers and incumbents, S. 3 would limit political speech protected by the First Amendment and inevitably lead to a raid on the Treasury

to pay for the Act's elaborate scheme of public subsidies.

In 1989, I proposed comprehensive campaign finance reform legislation to reduce the influence of special interests and the powers of incumbency. My proposal would abolish political action committees (PACs) subsidized by corporations, unions, and trade associations. It would protect statutorily the political rights of American workers, implementing the Supreme Court's decision in *Communications Workers v. Beck*. It would curtail leadership PACs. It would virtually prohibit the practice of bundling. It would require the full disclosure of *all* soft money expenditures by political parties and by corporations and unions. It would restrict the taxpayer-financed franking

privileges enjoyed by incumbents. It would prevent incumbents from amassing campaign war chests from excess campaign funds from previous elections.

These are all significant reforms, and I am encouraged that S. 3 includes a few of them, albeit with some differences. If the Congress is serious about enacting campaign finance reform, it should pass legislation along the lines I proposed in 1989, and I will sign it immediately. However, I cannot accept legislation, like S. 3, that contains spending limits or public subsidies, or fails to eliminate special interest PACs.

Further, as I have previously stated, I am opposed to different rules for the House and Senate on matters of ethics and election reform. In several key respects, S. 3 contains separate rules for House and Senate candidates, with no apparent justification other than political expediency.

S. 3 no longer contains the provision that the Senate passed last year abolishing all PACs. Although that provision was overbroad in banning issue-oriented PACs unconnected to special interests, S. 3 would not eliminate any PACs. Instead, the Act provides only a reduced limit on individual PAC contributions to Senate candidates and no change in the status quo in the House. Moreover, the limit on aggregate PAC contributions to House candidates to one-third of the spending limit, \$200,000, is not likely to diminish the heavy reliance of Members on PAC contributions. The average amount a Member of Congress raised from PACs in the last election cycle was \$209,000.

The spending limits for both House and Senate candidates will most likely hurt challengers more than incumbents, especially because S. 3 does little to reduce the advantages of incumbency. Inexplicably, there is no parallel House provision to the sensible Senate provision restricting the use of the frank in an election year. In the last election cycle, the amount incumbent House Members spent on franked mail was three times

the total amount spent by all House challengers. The system of public benefits, designed to induce candidates to agree to abide by the spending limits, is unlikely in many cases to overcome the inherent favors of incumbency.

S. 3 contains several unconstitutional provisions, although none more serious than the aggregate spending limits. In *Buckley v. Valeo*, the Supreme Court ruled that to be constitutional, spending limits must be voluntary. There is nothing “voluntary” about the spending limits in this Act. The penalties in S. 3 for candidates who choose not to abide by the spending limits or to accept Treasury funds are punitive—unlike the Presidential campaign system—as well as costly to the taxpayer. For example, if a nonparticipating House candidate spends just one dollar over 80 percent of the spending limit, the participating candidate may spend without limit and receive unlimited Federal matching funds. The subsidies provided for in S. 3 could amount to well over 100 million dollars every election cycle, yet the Act is silent on how these generous Government subsidies would be financed. It seems inevitable that they would be paid for by the American taxpayer. I understand why Members of Congress would be reluctant to ask taxpayers directly to subsidize their reelection campaigns, but given the significant costs of S. 3, its failure to address the funding question is irresponsible.

Our Nation needs campaign finance laws that place the interests of individual citizens and political parties above special interests, and that provide a level playing field between challengers and incumbents. What we do not need is a taxpayer-financed incumbent protection plan. For these reasons, I am vetoing S. 3.

GEORGE BUSH

The White House,
May 9, 1992.